(c) By increasing the distribution network, SAIL's products would reach a wider cross-section of the population thereby increasing its customer base as well as consumption, of steel items.

Profit margin of SAIL

†2090. SHRI RAVI SHANKAR PRASAD:

DR. MURLI MANOHAR JOSHI:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the dividend of the Steel Authority of India Ltd. has declined by 54.7 percent during the period from April to December in 2005-2006 in comparison to the same period of the last year;

(b) if not, the facts in this regard;

(c) whether it is a fact that the reason of decline in the dividend is the rise in price of coal;

(d) if not, the other reasons therefor; and

(e) the total production during the above said period and the extent to which this production is less or more in comparison to that of last year?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) and (b) No, Sir. Based on the financial performance during April to December, 2005, the company has declared interim dividend @ 12.5% of paid-up equity share capital. However, in the corresponding period previous year, the company declared interim dividend @ 15% of paid-up equity capital based on the financial performance during April-December, 2004. Hence, decline in dividend is only 2.5% of the paid-up equity capital.

(c) and (d) During period April-December, 2005, Steel Authority of India Limited has achieved Net Profit (After Tax) of Rs. 2935 crores against Rs. 4139 crores during corresponding period last year (CPLY). The reduction in profits is primarily due to lower Net Sales Price Realization and input cost escalation mainly, coking coal.

(e) During April-December 2005 Saleable Steel production has increased by 8% over CPLY.

(000 *T*)

	April-Dec '05	April-Dec '04	Growth
Saleable Steel	8591	7956	8%

†Original notice of the question was received in Hindi.